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### **CPhA applauds Governor's commitment to increase access to life-saving medications**

The California Pharmacists Association applauds the Governor's commitment to the healthcare of all Californians and ensuring all patients can continue to have access to affordable, life-saving medications.

The rising cost of medications is a reality faced by many Californians and seen on a daily basis by our members in their pharmacies, clinics, and practices. A November 2019 Office of Statewide Health Planning and Development (OSHPD) [report](#) noted that from 2017 through the first quarter of 2019, generic drugs saw the largest median price increase during that time: 37.6%. As a starting point to address these issues, we see value in the [Governor's 2019 executive order](#) to consolidate and bundle the contract purchasing of medications for the Medi-Cal program.

While medications are a significant driver of rising overall healthcare costs, pinpointing the reason for those ballooning costs is one of the most complex areas in the healthcare system. Many factors contribute to the overall cost of medications, from the role of pharmacy benefit managers and other corporate pressures, to manufacturing process issues such as raw materials shortages, labor and supply chain challenges, etc.

If the State can manage these unknown macroeconomic factors that lead to some price increases under a California contracted manufacturing program, then theoretically they may be able to produce a sufficient volume of product in the marketplace to begin to move prices down. However, there is insufficient information in the proposal at this point to fully evaluate the ways in which the State would control for those larger economic and manufacturing challenges that are impacting drug prices.

We look forward to working with the Governor's Office, Legislature, and other concerned stakeholders to develop and prescribe a solution to this important issue.

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#### **About CPhA**

*The California Pharmacists Association (CPhA) is the largest statewide professional association for pharmacists, student pharmacists and pharmacy technicians in the country. CPhA represents the pharmacy profession all practice settings and promotes the health of the public through the practice of pharmacy.*

Questions about this statement may be directed to Sheila Johnston, Vice President, Member Development & Communications at [sjohnston@cpha.com](mailto:sjohnston@cpha.com).